

H.B.J. Gas Pipe-Line

1071. SHRI K.V. THANGKABALU: Will the PRIME MINISTER be pleased to state:

(a) whether the HBJ gas is going waste due to its non-utilisation by the fertilizer companies;

(b) if so, the reasons therefor and the particulars of the fertilizer companies responsible for this loss; and

(c) the total loss accumulated so far in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILISERS (DR. CHINTA MOHAN): (a) No, Sir. Since gas passing through the HBJ pipeline is non-associated and which can be produced as and when required, there is no wastage due to non-utilisation by fertilizer companies on the HBJ line.

(b) and (c). Non-utilisation of gas leads to non-realisation of fixed costs and return on capital investment made by ONGC and GAIL for production and transportation of gas. The estimated loss of revenue to GAIL and ONGC on this account as also the notional value of gas not utilised is Rs. 37 lakhs per day per fertiliser plant. The three companies, which are implementing the gas-based fertiliser projects at Gadepan, Babrala and Shahjahanpur are M/s. Chambal Fertilisers & Chemicals Limited, M/s. Tata Chemicals Limited and M/s. Bindal Agro Chem Limited, respectively. The delay in implementation was mainly due to non-acceptance of original location from environmental angle in the case of Gadepan and the promoters' desire to change the product pattern in the case of the Babrala project. In the case of Shahjahanpur, a new promoter had to be selected in July, 1989, when the earlier promoter did not take interest in implementing the project.

Industrial Production

1072. SHRI C.P. MUDALAGIRIYAPPA: Will the PRIME MINISTER be pleased to state:

(a) whether the industrial production has declined in the first three months of 1991-92;

(b) if so, the details thereof and the reasons therefor; and

(c) the steps contemplated by the Government to increase industrial production?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (PROF. P.J. KURIEN): (a) to (c). According to the Index of Industrial Production compiled by the Central Statistical Organisation, the rate of growth was (-) 1.5% during April-June, 1991. However, the index of Industrial Production for July, 1991 showed an increase of 0.6% over July, 1990.

The decline in the rate of growth during April-June, 1991 was due to several factors. In some sectors, this was due to a shortage of raw materials, particularly imported raw materials, because of foreign exchange constraints. In some other sectors, the fall in growth rates may be attributed to the plateauing of demand after extremely high growth rates in previous years. The imposition of some specific import restrictions due to balance of payments considerations contributed to a slow down in the growth in some sectors. Some other sectors were affected by infrastructural constraints such as power and coal shortages in some areas and industrial relations problems in some sectors.

Government has recently brought out a statement on industrial Policy, which was tabled in the Lok Sabha on 24th July, 1991. The major objectives of the new policy package will be to build on the gains already